

IMPORTANT NOTICE

NOT FOR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES OF AMERICA, ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES OF AMERICA OR THE DISTRICT OF COLUMBIA (THE “UNITED STATES”) OR IN OR INTO ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO RELEASE, PUBLISH OR DISTRIBUTE THIS DOCUMENT.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached Tender Offer Memorandum (the “**Tender Offer Memorandum**”), and you are therefore required to read this disclaimer carefully before accessing, reading or making any other use of the Tender Offer Memorandum. By accessing, reading or making any other use of the Tender Offer Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from Allied Irish Banks, p.l.c. (the “**Offeror**”) and/or from Goldman Sachs International, J.P. Morgan Securities plc and/or Merrill Lynch International (together, the “**Dealer Managers**”) and/or Lucid Issuer Services Limited (the “**Tender and Information Agent**”) as a result of such access. Capitalised terms used but not otherwise defined in this disclaimer shall have the meaning given to them in the Tender Offer Memorandum.

THIS ELECTRONIC TRANSMISSION DOES NOT CONTAIN OR CONSTITUTE AN OFFER OF, OR THE SOLICITATION OF AN OFFER TO BUY OR SUBSCRIBE FOR, SECURITIES TO ANY PERSON IN THE UNITED STATES OR ANY OTHER JURISDICTION. SECURITIES MAY NOT BE OFFERED, SOLD OR DELIVERED IN THE UNITED STATES ABSENT REGISTRATION UNDER, OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF, THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”). THE SECURITIES REFERRED TO IN THE TENDER OFFER MEMORANDUM HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND SUCH SECURITIES MAY NOT BE OFFERED, SOLD OR DELIVERED, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT).

THE TENDER OFFER MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. THE TENDER OFFER MEMORANDUM MAY ONLY BE DISTRIBUTED OUTSIDE THE UNITED STATES AND TO PERSONS TO WHOM IT IS OTHERWISE LAWFUL TO SEND THE TENDER OFFER MEMORANDUM. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE TENDER OFFER MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THESE REQUIREMENTS MAY RESULT IN A VIOLATION OF APPLICABLE LAWS.

Confirmation of your representation: In order to be eligible to access, read or otherwise make use of the Tender Offer Memorandum or make an investment decision with respect to the Offer (as defined below), you must be outside the United States and otherwise able to participate lawfully in the invitation by the Offeror to holders of its outstanding €500,000,000 Fixed Rate Reset Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities (ISIN: XS1328798779) (the “**Securities**”) to tender their Securities for purchase by the Offeror for cash (the “**Offer**”) on the terms and subject to the conditions set out in the Tender Offer Memorandum, including the offer and distribution restrictions set out on pages 1 to 3 (the “**Offer and Distribution Restrictions**”). The Tender Offer Memorandum was sent at your request, and by accessing, reading or otherwise making use of the Tender Offer Memorandum you represent to the Offeror, the Dealer Managers and the Tender and Information Agent that:

- (i) you are a holder or a beneficial owner of Securities;
- (ii) the electronic mail address that you have given to us and to which the Tender Offer Memorandum has been delivered is not located in the United States;
- (iii) neither you nor any beneficial owner of the Securities nor any other person on whose behalf you are acting, either directly or indirectly, is located or resident in the United States;
- (iv) you have not sent and will not send any copy of the Tender Offer Memorandum and you have not used and will not use, directly or indirectly, the mails of, or a means of communication or other means or instrumentality of commerce or the facilities of a United States securities exchange in relation to the Offer;
- (v) you are otherwise a person to whom it is lawful to send the Tender Offer Memorandum or to make an invitation pursuant to the Offer in accordance with applicable laws, including the Offer and Distribution Restrictions;
- (vi) you are not a person or entity (a **“Person”**): (a) that is organised or resident in a country or territory which is the target of comprehensive country sanctions administered or enforced by any of: (A) the United States government; the United Nations; (B) the European Union (or any of its member states) and the United Kingdom; (C) any other equivalent governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; and (D) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the US Department of the Treasury, the United States Department of State, the United States Department of Commerce and Her Majesty’s Treasury (each a **“Sanctions Authority”**); (b) that is, or is directly or indirectly owned or controlled by a Person that is, described or designated in (x) the most current **“Specially Designated Nationals and Blocked Persons”** list (which as of the date hereof can be found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>) or (y) the Foreign Sanctions Evaders List (which as of the date hereof can be found at: <http://www.treasury.gov/ofac/downloads/fse/fselist.pdf>) or (z) the most current **“Consolidated list of persons, groups and entities subject to EU financial sanctions”** (which as of the date hereof can be found at: https://eeas.europa.eu/headquarters/headquarters-homepage_en/8442/Consolidated%20list%20of%20sanctions); or (c) that is otherwise the subject of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of their inclusion in: (x) the most current **“Sectoral Sanctions Identifications”** list (which as of the date hereof can be found at: <https://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf>) (the **“SSI List”**), (y) Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the **“EU Annexes”**), or (z) any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes; and
- (vii) you consent to delivery of the Tender Offer Memorandum by electronic transmission.

The Tender Offer Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Offeror, the Dealer Managers, the Tender and Information Agent or any person who controls, or is a director, officer, employee, agent or affiliate of, any such person accepts any liability or responsibility whatsoever in respect of any difference between the Tender Offer Memorandum distributed to you in electronic format and the hard copy version available to you on request from the Tender and Information Agent.

You are also reminded that the Tender Offer Memorandum has been sent to you on the basis that you are a person into whose possession the Tender Offer Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located or resident and you may not, nor are you authorised to, deliver the Tender Offer Memorandum to any other person.

The Tender Offer Memorandum is confidential and contains important information which should be read carefully before any decision is made with respect to the Offer. If any Securityholder is in any doubt as to the action it should take, it is recommended to seek its own financial and legal advice, including in respect of any tax consequences, immediately from its broker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser. Any individual or company whose Securities are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary must contact such entity if it wishes to tender such Securities pursuant to the Offer.

Any materials relating to the Offer do not constitute, and may not be used in connection with, any form of offer or solicitation in any place where such offers or solicitations are not permitted by law. If a jurisdiction requires that the Offer be made by a licensed broker or dealer and any Dealer Manager or any of their respective affiliates is such a licensed broker or dealer in that jurisdiction, such Offer shall be deemed to be made by such Dealer Manager or such affiliate, as the case may be, on behalf of the Offeror in such jurisdiction.

The Tender Offer Memorandum may only be communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000 does not apply.

Restrictions: Nothing in this electronic transmission constitutes (i) an offer to buy or the solicitation of an offer to sell securities in the United States or any other jurisdiction in which such offer or solicitation would be unlawful or (ii) an offer to sell or the solicitation of an offer to buy securities in the United States or any other jurisdiction. The Offer is subject to offer and distribution restrictions in, amongst other countries, the United States, the United Kingdom, Ireland, Italy and France.

The distribution of the Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession the Tender Offer Memorandum comes are required by the Offeror, the Dealer Managers and the Tender and Information Agent to inform themselves about, and to observe, any such restrictions.

NOT FOR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES OF AMERICA, ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES OF AMERICA OR THE DISTRICT OF COLUMBIA (the “United States”) OR IN OR INTO ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO RELEASE, PUBLISH OR DISTRIBUTE THIS DOCUMENT.

TENDER OFFER MEMORANDUM dated 16 JUNE 2020.

THIS DOCUMENT IS IMPORTANT AND REQUIRES IMMEDIATE ATTENTION.

Invitation by



Allied Irish Banks, p.l.c.

(a company incorporated with limited liability in Ireland)

(the “Offeror”)

to the holders of its outstanding

€500,000,000

Fixed Rate Reset Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities

(ISIN: XS1328798779)

(the “Securities”)

to tender such Securities for purchase by the Offeror for cash up to the Maximum Acceptance Amount subject to satisfaction (or waiver) of the conditions including, but not limited to, the New Financing Condition, all as further described in this Tender Offer Memorandum

Description of the Securities	ISIN/Common Code	Outstanding Principal Amount	First Reset Date*	Purchase Price	Maximum Acceptance Amount
€500,000,000 Fixed Rate Reset Additional Tier 1 Perpetual Contingent Temporary Write- Down Securities	XS1328798779/ 132879877	€500,000,000	3 December 2020	101.75 per cent.	€250,000,000 in aggregate principal amount (or such other principal amount as may be determined by the Offeror in its sole discretion)

* The first Reset Date is the first date on which, subject to obtaining regulatory consent and the satisfaction of certain other conditions, Allied Irish Banks, p.l.c. (as issuer) can elect to redeem the Securities. See “Other purchases or redemption of the Securities”

THE OFFER BEGINS ON THE DATE OF THIS TENDER OFFER MEMORANDUM AND WILL EXPIRE AT 4.00 P.M. (LONDON TIME) ON 22 JUNE 2020, UNLESS EXTENDED, RE-OPENED, AMENDED OR TERMINATED AS PROVIDED IN THIS TENDER OFFER MEMORANDUM. THE DEADLINES SET BY ANY INTERMEDIARY OR CLEARING SYSTEM WILL BE EARLIER THAN THIS DEADLINE.

Dealer Managers

BofA Securities

Goldman Sachs International

J.P. Morgan

THE OFFER

This Tender Offer Memorandum contains important information which should be read carefully before any decision is made with respect to the Offer. If any Securityholder (as defined below) is in any doubt as to the contents of this Tender Offer Memorandum or the action it should take, it is recommended to seek its own financial and legal advice, including in respect of any financial, accounting and tax consequences, immediately from its broker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser. Any individual or company whose Securities are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to tender such Securities pursuant to the Offer. The distribution of this Tender Offer Memorandum in certain jurisdictions may be restricted by law (see *“Offer and Distribution Restrictions”*). None of Goldman Sachs International, J.P. Morgan Securities plc and Merrill Lynch International (together, the *“Dealer Managers”*), Lucid Issuer Services Limited (the *“Tender and Information Agent”*) or the Offeror makes any recommendation as to whether Securityholders should tender their Securities pursuant to the Offer. None of the Offeror, the Dealer Managers or the Tender and Information Agent (or any of their respective directors, officers, employees, agents, advisers or affiliates) is providing any Securityholder with any legal, business, financial investment, tax or other advice in this Tender Offer Memorandum. Securityholders should consult with their own advisers as needed to assist them in making an investment decision and to advise them whether they are legally permitted to tender Securities for cash.

This Tender Offer Memorandum is addressed only to holders of the Securities who are persons to whom it may be lawfully distributed (the *“relevant persons”*). It is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Tender Offer Memorandum relates is available only to relevant persons and will be engaged in only with relevant persons. This Tender Offer Memorandum and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons.

The Offeror invites, subject to the offer restrictions referred to in *“Offer and Distribution Restrictions”*, all holders of the Securities to tender their Securities for purchase by the Offeror for cash (the *“Offer”*). The Offer is made on the terms and subject to the conditions including, but not limited to, the New Financing Condition set out in this Tender Offer Memorandum.

Before making a decision whether to tender Securities pursuant to the Offer, Securityholders should carefully consider all of the information in this Tender Offer Memorandum and, in particular, the risk factors described in “Risk Factors and Other Considerations”.

Capitalised terms used in this Tender Offer Memorandum have the meaning given in *“Definitions”*, and any other definitions of such terms are for ease of reference only and shall not affect their interpretation.

Rationale for the Offer

The purpose of the Offer is to provide liquidity to holders and it is being made as part of the Offeror’s active management of the AIB Group plc’s consolidated capital profile whilst issuing New Additional Tier 1 Securities (as defined below) (see *“Issuance of New Additional Tier 1 Securities”* below) ultimately for the benefit of the Offeror’s business.

Securities purchased by the Offeror pursuant to the Offer (and subject to satisfaction or waiver of the New Financing Condition on or prior to the Settlement Date) are expected to be cancelled and will not be re-issued or re-sold.

Purchase Price

The Offeror will pay, for Securities accepted for purchase pursuant to the Offer (and subject to satisfaction or waiver of the New Financing Condition on or prior to the Settlement Date), a cash purchase price equal to 101.75 per cent. of the principal amount of the relevant Securities (the “**Purchase Price**”).

The Offeror is not under any obligation to accept for purchase any Securities tendered pursuant to the Offer. The acceptance for purchase by the Offeror of Securities tendered pursuant to the Offer is at the sole discretion of the Offeror and tenders may be rejected by the Offeror for any reason.

Accrued Interest

The Offeror will also pay an Accrued Interest Payment in respect of Securities accepted for purchase pursuant to the Offer.

New Financing Condition

AIB Group plc announced on 16 June 2020 its intention to issue new euro-denominated fixed rate reset additional tier 1 perpetual contingent temporary write-down securities (the “**New Additional Tier 1 Securities**”). Whether the Offeror will accept for purchase any Securities validly tendered in the Offer and complete the Offer is subject, without limitation, to the successful completion (in the sole determination of the Offeror) of the issue of the New Additional Tier 1 Securities (the “**New Financing Condition**”).

Issuance of New Additional Tier 1 Securities

Pricing of the issue of the New Additional Tier 1 Securities is expected to occur prior to the Expiration Deadline for the Offer (the time of pricing for the issue of the New Additional Tier 1 Securities being referred to as the “**New Issue Pricing Time**”).

*Any investment decision to purchase any New Additional Tier 1 Securities should be made solely on the basis of the information contained in the listing particulars to be prepared in connection with the issue and listing of the New Additional Tier 1 Securities on the Global Exchange Market of the Irish Stock Exchange plc trading as Euronext Dublin (the “**Listing Particulars**”), and no reliance is to be placed on any representations other than those contained in the Listing Particulars. Subject to compliance with all applicable securities laws and regulations, the Listing Particulars are available from the joint lead managers of the issue of the New Additional Tier 1 Securities, on request.*

*The New Additional Tier 1 Securities are not being, and will not be, offered or sold in the United States. Nothing in this Tender Offer Memorandum constitutes an offer to sell or the solicitation of an offer to buy the New Additional Tier 1 Securities in the United States or any other jurisdiction. Securities may not be offered, sold or delivered in the United States absent registration under, or an exemption from the registration requirements of, the United States Securities Act of 1933, as amended (the “**Securities Act**”). The New Additional Tier 1 Securities have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act).*

Compliance information for the New Additional Tier 1 Securities: MiFID II professionals/ECPs-only/No PRIIPs KID/FCA CoCo restriction – eligible counterparties and professional clients only (all distribution channels). No sales to EEA or UK retail investors; no key information document has been or will be prepared. See the Listing Particulars for further information.

No action has been or will be taken in any jurisdiction in relation to the New Additional Tier 1 Securities to permit a public offering of securities.

Allocation of the New Additional Tier 1 Securities

When considering allocation of the New Additional Tier 1 Securities, AIB Group plc intends to give preference to those Securityholders who, prior to such allocation, have validly tendered (or have given a firm indication to AIB Group plc or any Dealer Manager that they intend to tender) their Securities pursuant to the Offer. Therefore, a Securityholder who wishes to subscribe for New Additional Tier 1 Securities in addition to tendering its Securities for purchase pursuant to the Offer may be eligible to receive, at the sole and absolute discretion of AIB Group plc, priority in the allocation of the New Additional Tier 1 Securities, subject to the issue of the New Additional Tier 1 Securities and such Securityholder making a separate application for the purchase of such New Additional Tier 1 Securities to a Dealer Manager (in its capacity as a joint lead manager of the issue of the New Additional Tier 1 Securities) or to any other joint lead manager of the issue of the New Additional Tier 1 Securities in accordance with the standard new issue procedures of such joint lead manager. However, AIB Group plc is not obliged to allocate the New Additional Tier 1 Securities to a Securityholder who has validly tendered or indicated a firm intention to tender the Securities pursuant to the Offer and, if New Additional Tier 1 Securities are allocated, the nominal amount thereof may be less or more than the nominal amount of Securities tendered by such Securityholder and accepted by the Offeror pursuant to the Offer. Any such allocation will also, among other factors, take into account the minimum denomination of the New Additional Tier 1 Securities (being €200,000).

All allocations of the New Additional Tier 1 Securities, while being considered by AIB Group plc as set out above, will be made in accordance with customary new issue allocation processes and procedures. In the event that a Securityholder validly tenders Securities pursuant to the Offer, such Securities will remain subject to such tender and the conditions of the Offer as set out in this Tender Offer Memorandum irrespective of whether that Securityholder receives all, part or none of any allocation of New Additional Tier 1 Securities for which it has applied.

Maximum Acceptance Amount, Final Acceptance Amount and Scaling

The Offeror proposes that the aggregate principal amount of Securities (if any) which it will accept for purchase pursuant to the Offer will be an amount up to €250,000,000 (the “**Maximum Acceptance Amount**”), although the Offeror reserves the right, in its sole discretion, to accept significantly less than (or none of) such amount of Securities validly tendered for purchase pursuant to the Offer (the final aggregate principal amount of Securities accepted for purchase pursuant to the Offer being the “**Final Acceptance Amount**”).

If the Offeror decides to accept any validly tendered Securities for purchase pursuant to the Offer and the aggregate principal amount of Securities validly tendered for purchase is greater than the Final Acceptance Amount, the Offeror intends to accept such Securities for purchase on a *pro rata* basis such that the aggregate principal amount of Securities accepted for purchase pursuant to the Offer is no greater than the Final Acceptance Amount. See “*Further Information and Terms and Conditions - Maximum Acceptance Amount and Scaling of Tenders*” below.

Tender Instructions

In order to participate in, and be eligible to receive the Purchase Price and the Accrued Interest Payment pursuant to, the Offer, Securityholders must validly tender their Securities for purchase by delivering, or arranging to have delivered on their behalf, a valid Tender Instruction that is received by the Tender and Information Agent by 4.00 p.m. (London time) on 22 June 2020, unless extended, re-opened, amended and/or terminated as provided in this Tender Offer Memorandum (the “**Expiration Deadline**”). See “*Procedures for Participating in the Offer*”.

Securityholders are advised to check with any bank, securities broker or other intermediary through which they hold Securities when such intermediary would need to receive instructions from a Securityholder in order for that Securityholder to be able to participate in, or (in the limited circumstances in which revocation

is permitted) revoke their instruction to participate in, the Offer by the deadlines specified in this Tender Offer Memorandum. The deadlines set by any such intermediary and each Clearing System for the submission and revocation of Tender Instructions will be earlier than the relevant deadlines specified in this Tender Offer Memorandum.

Tender Instructions will be irrevocable except in the limited circumstances described in “*Amendment and Termination*”.

Tender Instructions must be submitted in respect of a minimum principal amount of Securities of no less than €200,000, being the minimum denomination of the Securities, and may be submitted in integral multiples of €1,000 thereafter. A separate Tender Instruction must be completed on behalf of each beneficial owner.

See “*Procedures for Participating in the Offer*” below for further information.

Announcement of Results

The Offeror will announce its decision of whether to accept (subject to satisfaction or waiver of the New Financing Condition on or prior to the Settlement Date) valid tenders of Securities pursuant to the Offer and, if so accepted, (i) the Final Acceptance Amount and (ii) the Scaling Factor (if any), as soon as reasonably practicable on the Business Day immediately following the Expiration Deadline.

See “*Further Information and Terms and Conditions – Announcements*” below.

General

The Offer will expire at the Expiration Deadline and the expected Settlement Date for the Offer is 24 June 2020.

The Offeror may, in its sole discretion, extend, re-open, amend, waive any condition of or terminate the Offer at any time (subject to applicable law and as provided in this Tender Offer Memorandum). Details of any such extension, re-opening, amendment, waiver or termination will be announced as provided in this Tender Offer Memorandum as soon as reasonably practicable after the relevant decision is made. See “*Amendment and Termination*”.

The Offeror is under no obligation to accept any tender of Securities for purchase pursuant to the Offer. Tenders of Securities for purchase may be rejected in the sole discretion of the Offeror for any reason and the Offeror is under no obligation to Securityholders to furnish any reason or justification for refusing to accept a tender of Securities for purchase. For example, tenders of Securities may be rejected if the Offer is terminated, if any such tender does not in the determination of the Offeror comply with the requirements of a particular jurisdiction or if the Offeror decides not to accept any tenders of Securities or for any other reasons.

For further information on the Offer and the further terms and conditions on which the Offer is made, Securityholders should refer to “*Further Information and Terms and Conditions*”.

Questions and requests for assistance in connection with (i) the Offer may be directed to the Dealer Managers, and (ii) the delivery of Tender Instructions may be directed to the Tender and Information Agent, the contact details for each of which are on the last page of this Tender Offer Memorandum.

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OFFER AND DISTRIBUTION RESTRICTIONS

This Tender Offer Memorandum does not constitute an invitation to participate in the Offer in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws. The distribution of this Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this Tender Offer Memorandum comes are required by each of the Offeror, the Dealer Managers and the Tender and Information Agent to inform themselves about, and to observe, any such restrictions.

No action has been or will be taken in any jurisdiction in relation to the New Additional Tier 1 Securities that would permit a public offering of securities and the minimum denomination of the New Additional Tier 1 Securities will be €200,000.

United States

The Offer is not being made, and will not be made, directly or indirectly in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of, or of any facilities of a national securities exchange of, the United States. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. The Securities may not be tendered in the Offer by any such use, means, instrumentality or facility from or within the United States or by persons located or resident in the United States. Accordingly, copies of this Tender Offer Memorandum and any other documents or materials relating to the Offer are not being, and must not be, directly or indirectly mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to any persons located or resident in the United States. Any purported tender of Securities in the Offer resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender of Securities made by, or by any person acting for the account or benefit of, a person located in the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

This Tender Offer Memorandum is not an offer to buy or sell, or a solicitation of an offer to sell or buy, any Securities or other securities in the United States. Securities may not be offered or sold in the United States absent registration under, or an exemption from the registration requirements of, the Securities Act. The New Additional Tier 1 Securities have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S of the Securities Act).

Each Securityholder participating in the Offer will represent that it is not located in the United States and it is not participating in the Offer from the United States, or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in the Offer from the United States. For the purposes of this and the above two paragraphs, “**United States**” means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.

Italy

None of the Offer, this Tender Offer Memorandum or any other documents or materials relating to the Offer has been or will be submitted to the clearance procedures of the *Commissione Nazionale per le Società e la Borsa* (“**CONSOB**”) pursuant to Italian laws and regulations. The Offer is being carried out in the Republic of Italy (“**Italy**”) as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No.

58 of 24 February 1998, as amended (the “**Financial Services Act**”) and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of 14 May 1999, as amended. Securityholders or beneficial owners of the Securities that are located in Italy may tender their Securities in the Offer through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties *vis-à-vis* its clients in connection with the Securities and/or the Offer.

United Kingdom

The communication of this Tender Offer Memorandum and any other documents or materials relating to the Offer is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000, as amended. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to, and may only be acted upon by, those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Financial Promotion Order**”) or persons who are within Article 43 of the Financial Promotion Order or any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (together, “**relevant persons**”). Any investment or investment activity to which this Tender Offer Memorandum relates is available only to relevant persons and will be engaged in only with relevant persons (and is subject to other restrictions referred to in the Financial Promotion Order).

France

This Tender Offer Memorandum and any other document or material relating to the Offer have only been and shall only be distributed in France to qualified investors as defined in Article 2(e) of Regulation (EU) 2017/1129. This Tender Offer Memorandum has not been and will not be submitted for clearance to nor approved by the *Autorité des Marchés Financiers*.

Ireland

The Offer is not being made, directly or indirectly, to the public in Ireland and no offers or sales of any notes or securities under or in connection with such Offer may be effected to persons in Ireland except in conformity with the provisions of Irish laws and regulations (the “**Applicable Irish Laws**”) including: (i) the Companies Act 2014 (as amended) (the “**Companies Act**”); (ii) the Irish Central Bank Acts 1942 to 2018 (as amended) and any codes of practice made under Section 117(1) of the Central Bank Act 1989; (iii) Regulation (EU) 2017/1129, the European Union (Prospectus) Regulations 2019 and any rules issued under Section 1363 of the Companies Act by the Central Bank of Ireland (the “**Central Bank**”); (iv) the European Union (Markets in Financial Instruments) Regulations 2017 (as amended) and any codes or rules of conduct applicable thereunder, Regulation (EU) No 600/2014 and any delegated or implementing acts adopted thereunder and the provisions of the Investor Compensation Act 1998 (as amended); and (v) the Market Abuse Regulation (EU 596/2014) (as amended), the European Union (Market Abuse) Regulations 2016 (as amended) and any rules and guidelines issued under Section 1370 of the Companies Act 2014 (as amended) by the Central Bank.

The Offer and any other documents or materials relating to the Offer must not be distributed to persons in Ireland otherwise than in conformity with the provisions of the Applicable Irish Laws.

General

This Tender Offer Memorandum does not constitute an offer to buy or the solicitation of an offer to sell Securities (and tenders of Securities in the Offer will not be accepted from Securityholders) in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer and any Dealer Manager or any of their respective affiliates is such a licensed broker or dealer in any such jurisdiction, the Offer shall be deemed to be made by such Dealer Manager or such affiliate, as the case may be, on behalf of the Offeror in such jurisdiction.

Nothing in this Tender Offer Memorandum or the electronic transmission thereof constitutes an offer to sell or the solicitation of an offer to buy the New Additional Tier 1 Securities in the United States or any other jurisdiction.

In addition to the representations referred to above in respect of the United States, each Securityholder participating in the Offer will also give certain representations in respect of the other jurisdictions referred to above and generally as set out in "*Procedures for Participating in the Offer*". Any tender of Securities for purchase pursuant to the Offer from a Securityholder that is unable to make these representations will not be accepted. Each of the Offeror, the Dealer Managers and the Tender and Information Agent reserves the right, in its absolute discretion, to investigate, in relation to any tender of Securities for purchase pursuant to the Offer, whether any such representation given by a Securityholder is correct and, if such investigation is undertaken and as a result the Offeror determines (for any reason) that such representation is not correct, such tender shall not be accepted.

GENERAL

The Offeror accepts responsibility for the information contained in this Tender Offer Memorandum. To the best of the knowledge of the Offeror (having taken all reasonable care to ensure that such is the case), the information contained in this Tender Offer Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

Each Securityholder is solely responsible for making its own independent appraisal of all matters as such Securityholder deems appropriate (including those relating to the Offer, this Tender Offer Memorandum and the Offeror), and each Securityholder must make its own decision as to whether to tender any or all of its Securities for purchase pursuant to the Offer based upon its own judgement and having obtained advice from financial, accounting, legal and tax advisers as it may deem necessary. Accordingly, each person receiving this Tender Offer Memorandum acknowledges that such person has not relied upon the Offeror, the Dealer Managers or the Tender and Information Agent (or their respective directors, officers, employees, agents, advisers or affiliates) in connection with its decision as to whether to participate in the Offer. Each such person must make its own analysis and investigations regarding the Offer, with particular reference to its own investment objectives and experience, and any other factors which may be relevant to it. If such person is in any doubt about any aspect of the Offer and/or the action it should take, including in respect of any tax consequences, it should consult its professional advisers.

None of the Dealer Managers or the Tender and Information Agent (nor any of their respective directors, officers, employees, agents, advisers, or affiliates) makes any representation or recommendation whatsoever regarding this Tender Offer Memorandum or the Offer, and none of the Offeror, the Dealer Managers or the Tender and Information Agent (or their respective directors, officers, employees, agents, advisers or affiliates) makes any recommendation whatsoever regarding this Tender Offer Memorandum or the Offer (including as to whether Securityholders should tender Securities in the Offer). The Tender and Information Agent is the agent of the Offeror and owes no duty to any Securityholder.

In the ordinary course of their respective businesses, the Dealer Managers and the Tender and Information Agent are entitled to hold positions in the Securities either for their own account or for the account, directly or indirectly, of third parties. In the ordinary course of their respective businesses, they are entitled to continue to hold or dispose of, and vote, in any manner they may elect, subject to applicable law, any Securities they may hold as at the date of this Tender Offer Memorandum. No such submission or non-submission by any Dealer Manager or the Tender and Information Agent should be taken by any Securityholder or any other person as any recommendation or otherwise by such Dealer Manager or the Tender and Information Agent, as the case may be, as to the merits of participating or not participating in the Offer.

Neither the delivery of this Tender Offer Memorandum nor any purchase of Securities shall, under any circumstances, create any implication that the information contained in this Tender Offer Memorandum is current as of any time subsequent to the date of such information or that there has been no change in the information set out in it or in the affairs of the Offeror since the date of this Tender Offer Memorandum or that the information in this Tender Offer Memorandum has remained accurate and complete. None of the Dealer Managers, the Tender and Information Agent or any of their respective directors, officers, employees, agents, advisers or affiliates has independently verified or accepts any responsibility for the information contained in this Tender Offer Memorandum or assumes any responsibility for any failure by the Offeror to disclose events that may have occurred and may affect the significance or accuracy of such information or the terms of any amendment (if any) to the Offer.

No person has been authorised to (i) make any representation on behalf of the Offeror, any of the Dealer Managers or the Tender and Information Agent in respect of this Tender Offer Memorandum or the Offer or (ii) (other than in respect of the Dealer Managers and the Tender and Information Agent only as contained in this

Tender Offer Memorandum) give any information or make any representation about the Securities, the Offeror or the Offer and, if given or made, such information or representation must not be relied upon as having been authorised by the Offeror, the Dealer Managers, the Tender and Information Agent or any of their respective directors, officers, employees, agents, advisers or affiliates.

Securities can only be tendered in the Offer in accordance with the procedures described in “*Procedures for Participating in the Offer*”.

Securityholders who do not participate in the Offer, or whose Securities are not accepted for purchase by the Offeror, will continue to hold their Securities subject to the terms and conditions of such Securities. See also “*Risk Factors and Other Considerations – Other purchases or redemption of the Securities*” below.

The applicable provisions of the Financial Services and Markets Act 2000, as amended, must be complied with in respect of anything done in relation to the Offer in, from or otherwise involving the United Kingdom.

The applicable provisions of the European Union (Markets in Financial Instruments) Regulations 2017 (as amended) and the European Union (Market Abuse) Regulations 2016 (as amended) of Ireland must be complied with in respect of anything done in relation to the Offer in, from or otherwise involving Ireland.

Unless the context otherwise requires, references in this Tender Offer Memorandum to “**Securityholders**” or, in respect of Securities, “**holders**” include:

- (i) each person who is shown in the records of Euroclear Bank SA/NV (“**Euroclear**”) or Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) and, together with Euroclear, the “**Clearing Systems**” and each a “**Clearing System**”) as a holder of the Securities (also referred to as “**Direct Participants**” and each a “**Direct Participant**”); and
- (ii) each beneficial owner of the Securities holding such Securities, directly or indirectly, in an account in the name of a Direct Participant acting on such beneficial owner’s behalf,

except that for the purposes of any payment to a Securityholder pursuant to the Offer of the Purchase Price and the Accrued Interest Payment, to the extent the beneficial owner of the relevant Securities is not a Direct Participant, such payment will only be made by the relevant Clearing System to the relevant Direct Participant and the making of such payment by or on behalf of the Offeror to such Clearing System and by such Clearing System to such Direct Participant will satisfy the respective obligations of the Offeror and such Clearing System in respect of the purchase of such Securities.

All references in this Tender Offer Memorandum to **euro** and **€** are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union.

For the avoidance of doubt, the invitation by the Offeror to Securityholders contained within this Tender Offer Memorandum is an invitation to treat by the Offeror, and any references to any offer or invitation being made by the Offeror under or in respect of the Offer shall be construed accordingly.

This Tender Offer Memorandum has not been reviewed by any United Kingdom, United States, Ireland or other governmental authority, state securities commission or regulatory authority, nor has the US Securities and Exchange Commission or any such commission or authority passed upon the accuracy or adequacy of this Tender Offer Memorandum. Any representation to the contrary is unlawful and may be a criminal offence.

EXPECTED TIMETABLE OF EVENTS

The following sets out the expected times and dates of the key events relating to the Offer. The times and dates below are indicative only. This timetable is subject to change and the times and dates may (subject to applicable law) be extended, re-opened or amended by the Offeror, or the Offer terminated, in each case in accordance with the terms of the Offer as described in this Tender Offer Memorandum. Accordingly, the actual timetable may differ significantly from the timetable below.

Events	Times and Dates (All times are London time)
<i>Commencement of the Offer</i>	
Announcement of Offer. Tender Offer Memorandum available from the Tender and Information Agent. Commencement of the tender offer period.	16 June 2020
<i>Expiration Deadline</i>	
Final deadline for receipt of valid Tender Instructions by the Tender and Information Agent in order for Securityholders to be able to participate in the Offer.	4.00 p.m. on 22 June 2020
<i>Announcement of Results</i>	
Announcement of (i) whether the Offeror will accept (subject to satisfaction or waiver of the New Financing Condition on or prior to the Settlement Date) valid tenders of Securities for purchase pursuant to the Offer and, if so accepted, (ii) the Final Acceptance Amount and (iii) the Scaling Factor (if any).	At or around 10.00 a.m. on 23 June 2020
<i>Settlement Date</i>	
Subject to satisfaction (or waiver) of the New Financing Condition on or prior to such date, expected Settlement Date for the Offer.	24 June 2020

*Securityholders are advised to check with any bank, securities broker or other intermediary through which they hold Securities when such intermediary would need to receive instructions from a Securityholder in order for that Securityholder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Offer before the deadlines specified in this Tender Offer Memorandum. **The deadlines set by any such intermediary and each Clearing System for the submission of Tender Instructions will be earlier than the relevant deadlines specified above. See “Procedures for Participating in the Offer”.***

DEFINITIONS

Accrued Interest	Interest accrued and unpaid on the Securities from (and including) the interest payment date immediately preceding the Settlement Date to (but excluding) the Settlement Date, determined in accordance with the terms and conditions of the Securities.
Accrued Interest Payment	An amount in cash (rounded to the nearest €0.01, with half a cent rounded upwards) equal to the Accrued Interest on the Securities validly tendered for purchase by a Securityholder and accepted by the Offeror.
AIB Group plc	AIB Group plc, a company incorporated with limited liability in Ireland (with registration number 594283).
Business Day	A day other than a Saturday or a Sunday or a public holiday on which commercial banks and foreign exchange markets are open for business in London and which is also a TARGET Business Day.
Clearing System Notice	The form of notice to be sent to Direct Participants by each of the Clearing Systems on or about the date of this Tender Offer Memorandum informing Direct Participants of the procedures to be followed in order to participate in the Offer.
Clearing Systems	Euroclear and Clearstream, Luxembourg.
Clearstream, Luxembourg	Clearstream Banking S.A.
Dealer Managers	Goldman Sachs International, J.P. Morgan Securities plc and Merrill Lynch International.
Direct Participant	Each person who is shown in the records of the Clearing Systems as a holder of the Securities.
Euroclear	Euroclear Bank SA/NV.
Expiration Deadline	4.00 p.m. (London time) on 22 June 2020 (subject to the right of the Offeror to extend, re-open, amend and/or terminate the Offer).
Final Acceptance Amount	The final aggregate principal amount of Securities validly tendered pursuant to the Offer that the Offeror determines, in its sole discretion, that it will accept for purchase.
Listing Particulars	The listing particulars (in final or preliminary form, as the context admits) prepared in connection with the issue and listing of the New Additional Tier 1 Securities on the Global Exchange Market of the Irish Stock Exchange plc trading as Euronext Dublin.
Maximum Acceptance Amount	€250,000,000 in aggregate principal amount of the Securities, subject to the Offeror's right to modify such amount at its sole and absolute discretion for any reason.
Minimum Denomination	€200,000.

New Additional Tier 1 Securities	New euro-denominated fixed rate reset additional tier 1 perpetual contingent temporary write-down securities, to be issued by AIB Group plc, announced on 16 June 2020.
New Financing Condition	The condition to whether the Offeror will accept for purchase any Securities validly tendered in the Offer and complete the Offer (subject to the right of the Offeror to amend and/or terminate, or waive any condition of, the Offer), being the successful completion (in the sole determination of the Offeror) of the issue of the New Additional Tier 1 Securities.
New Issue Pricing Time	The time of pricing of the issue of the New Additional Tier 1 Securities (which is expected to occur prior to the Expiration Deadline).
Notifying News Service	A recognised financial news service or services (e.g. Reuters or Bloomberg) as selected by the Offeror.
Offer	The invitation by the Offeror, subject to the offer and distribution restrictions referred to in “ <i>Offer and Distribution Restrictions</i> ”, to Securityholders to tender their Securities for purchase by the Offeror for cash, on the terms and subject to the conditions set out in this Tender Offer Memorandum (including, but not limited to, the New Financing Condition).
Purchase Price	The cash purchase price payable by the Offeror for Securities validly tendered in the Offer and accepted for purchase by the Offeror, being equal to 101.75 per cent. of the principal amount of the relevant Securities.
Sanctions Authority	Each of: <ul style="list-style-type: none"> (i) the United States government; (ii) the United Nations; (iii) the European Union (or any of its member states) and the United Kingdom; (iv) any other equivalent governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; and (v) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the US Department of the Treasury, the United States Department of State, the United States Department of Commerce and Her Majesty’s Treasury.
Sanctions Restricted Person	Each person or entity (a “ Person ”): <ul style="list-style-type: none"> (i) that is organised or resident in a country or territory which is the target of comprehensive country sanctions administered or enforced by any Sanctions Authority; (ii) that is, or is directly or indirectly owned or controlled by a Person that is, described or designated in (i) the most current “Specially Designated Nationals and Blocked

Persons” list (which as of the date hereof can be found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>) or (ii) the Foreign Sanctions Evaders List (which as of the date hereof can be found at: <http://www.treasury.gov/ofac/downloads/fse/fselist.pdf>) or (iii) the most current “Consolidated list of persons, groups and entities subject to EU financial sanctions” (which as of the date hereof can be found at: https://eeas.europa.eu/headquarters/headquarters-homepage_en/8442/Consolidated%20list%20of%20sanctions); or

- (iii) that is otherwise the subject of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of their inclusion in: (i) the most current “Sectoral Sanctions Identifications” list (which as of the date hereof can be found at: <https://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf>) (the “**SSI List**”), (ii) Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the “**EU Annexes**”), or (iii) any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes.

Scaling Factor

The factor (if any) to be used for any scaling of tenders of Securities pursuant to the Offer as described in this Tender Offer Memorandum. See “*Further Information and Terms and Conditions - Maximum Acceptance Amount and Scaling of Tenders*”.

Securities

The Offeror’s €500,000,000 Fixed Rate Reset Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities (ISIN: XS1328798779).

Securityholder

A holder of Securities (including as further defined in the section “*General*” on page 5 of this Tender Offer Memorandum).

Settlement Date

Expected to be 24 June 2020 (subject to the right of the Offeror to extend, re-open, amend and/or terminate the Offer).

TARGET Business Day

A day on which the TARGET System is operating.

TARGET System

The Trans European Real-Time Gross Settlement Express Transfer (known as TARGET2) system which was launched on 19 November 2007 or any successor thereto.

Tender and Information Agent

Lucid Issuer Services Limited.

Tender Instruction

The electronic tender and blocking instruction in the form specified in the relevant Clearing System Notice for submission by Direct Participants to the Tender and Information Agent via the relevant Clearing System and in accordance with the requirements of such Clearing System by the Expiration

Deadline in order for Securityholders to be able to participate in the Offer.

FURTHER INFORMATION AND TERMS AND CONDITIONS

Total amount payable to Securityholders

If the Offeror decides to accept valid tenders of Securities pursuant to the Offer and the New Financing Condition is satisfied (or waived), the total amount that will be paid to each Securityholder on the Settlement Date for the Securities accepted for purchase from such Securityholder will be an amount (rounded to the nearest €0.01, with half a cent rounded upwards) equal to the sum of:

- (a) the product of (i) the aggregate nominal amount of the Securities accepted for purchase from such Securityholder pursuant to the Offer and (ii) the Purchase Price; and
- (b) the Accrued Interest Payment on such Securities.

Acceptance and Scaling of Tenders

The Offeror proposes that the aggregate principal amount of Securities (if any) which it will accept for purchase pursuant to the Offer will be an amount up to the Maximum Acceptance Amount, although the Offeror reserves the right, in its sole discretion, to accept significantly less than (or none of) such amount of Securities validly tendered for purchase pursuant to the Offer.

In the event that the aggregate principal amount of the Securities validly tendered pursuant to the Offer is greater than the Final Acceptance Amount, the Offeror intends to accept such validly tendered Securities for purchase on a *pro rata* basis and, for the purpose of such acceptance, each such tender of Securities will be scaled by a factor (the “**Scaling Factor**”) derived from (i) the Final Acceptance Amount divided by (ii) the aggregate principal amount of the Securities that have been validly tendered pursuant to the Offer (subject to adjustment resulting from the rounding of tenders of Securities and the intentions of the Offeror described in the next paragraph).

Each tender of Securities that is scaled in this manner will be rounded down to the nearest €1,000 in principal amount. In addition, in the event of any such scaling, the Offeror intends to apply *pro rata* scaling to each valid tender of Securities in such a manner as will result in both (a) the relevant Securityholder transferring Securities to the Offeror in an aggregate principal amount of at least the Minimum Denomination, and (b) the relevant Securityholder’s residual amount of Securities (being the principal amount of the Securities the subject of the relevant Tender Instruction that are not accepted for purchase by virtue of such scaling) amounting to either (i) at least the Minimum Denomination or (ii) zero, and the Offeror therefore intends to adjust the relevant Scaling Factor applicable to any Tender Instruction accordingly. In the event that, following the application of the *pro rata* scaling, the principal amount of Securities due to be accepted pursuant to a Tender Instruction would be less than the Minimum Denomination, the Offeror may in its sole discretion choose to (x) accept at least the Minimum Denomination or (y) reject the relevant Tender Instruction in its entirety.

See also “*Risk Factors and Other Considerations – Minimum Denomination of the Securities*” below.

Payment

If Securities validly tendered in the Offer are accepted for purchase by the Offeror and the New Financing Condition is satisfied (or waived), the aggregate amounts payable to Securityholders for such Securities in each Clearing System will be paid, in immediately available funds, on the Settlement Date to such Clearing System for payment to the cash accounts of the relevant Securityholders in such Clearing System (see “*Procedures for Participating in the Offer*”). The payment of such aggregate amounts to the Clearing Systems will discharge the obligation of the Offeror to all such Securityholders in respect of the payment of the Purchase Price and Accrued Interest Payments.

Provided the Offeror makes, or has made on its behalf, full payment of the Purchase Price and Accrued Interest Payments for all Securities accepted for purchase pursuant to the Offer to the Clearing Systems on or before the Settlement Date, under no circumstances will any additional interest or any other amount, be payable to a Securityholder because of any delay in the transmission of funds from the relevant Clearing System or any other intermediary with respect to such Securities of that Securityholder.

General conditions of the Offer

The Offeror expressly reserves the right, in its sole discretion, to delay acceptance of tenders of Securities pursuant to the Offer in order to comply with applicable laws. In all cases, the purchase of Securities for cash pursuant to the Offer will only be made after the submission of a valid Tender Instruction in accordance with the procedures described in “*Procedures for Participating in the Offer*”, which include the blocking of the Securities tendered in the relevant account in the relevant Clearing System as described in “*Risk Factors and Other Considerations – Restrictions on transfer of Securities*” below.

The Offeror will at all times have the discretion to accept for purchase any Securities tendered in the Offer, the tender of which would otherwise be invalid or, in the sole opinion of the Offeror, may otherwise be invalid.

The Offeror is not under any obligation to accept any tender of Securities for purchase pursuant to the Offer. Tenders of Securities for purchase may be rejected in the sole discretion of the Offeror for any reason, and the Offeror is not under any obligation to Securityholders to furnish any reason or justification for refusing to accept a tender of Securities for purchase. For example, tenders of Securities for purchase may be rejected if the Offer is terminated, if the New Financing Condition is satisfied (or waived), if the Offer does not comply with the relevant requirements of a particular jurisdiction or for any other reason.

Securities that are not successfully tendered for purchase pursuant to the Offer will remain outstanding.

Securityholders are advised that the Offeror may, in its sole discretion, accept tenders of Securities pursuant to the Offer on more than one date if the Offer is extended or re-opened.

The failure of any person to receive a copy of this Tender Offer Memorandum or any announcement made or notice issued in connection with the Offer shall not invalidate any aspect of the Offer. No acknowledgement of receipt of any Tender Instruction and/or other documents will be given by the Offeror or the Tender and Information Agent.

Costs and Expenses

Any charges, costs and expenses incurred by the Securityholders or any intermediary in connection with the Offer shall be borne by such Securityholder. No brokerage costs are being levied by the Dealer Managers or the Tender and Information Agent. Securityholders should check whether their brokers, custodians or other intermediaries will assess fees.

Announcements

Unless stated otherwise, announcements in connection with the Offer will be made by the Offeror by (i) publication through the website of Euronext Dublin; and (ii) the delivery of notices to the Clearing Systems for communication to Direct Participants. Such announcements may also be made (a) on the relevant Reuters Insider Screen and/or (b) by the issue of a press release to a Notifying News Service. Copies of all such announcements, press releases and notices can also be obtained upon request from the Tender and Information Agent, the contact details for which are on the last page of this Tender Offer Memorandum. Significant delays may be experienced where notices are delivered to the Clearing Systems and Securityholders are urged to contact the Tender and Information Agent for the relevant announcements during the course of the Offer. In addition, Securityholders may contact the Dealer Managers for information using the contact details on the last page of this Tender Offer Memorandum.

Governing law and submission to jurisdiction

The Offer, each Tender Instruction, any purchase of Securities pursuant to the Offer, any payment of any amounts pursuant to the Offer and any non-contractual obligations arising out of or in connection with the Offer shall be governed by, and construed in accordance with, English law. By submitting a Tender Instruction, the relevant Securityholder irrevocably and unconditionally agrees for the benefit of the Offeror, the Dealer Managers and the Tender and Information Agent that the courts of England are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Offer, each Tender Instruction, any purchase of the Securities pursuant to the Offer and any payment of any amounts pursuant to the Offer (including any disputes relating to any non-contractual obligations arising out of or in connection with the Offer) and that, accordingly, any suit, action or proceedings arising out of or in connection with the foregoing may be brought in such courts.

RISK FACTORS AND OTHER CONSIDERATIONS

Before making a decision whether to tender Securities pursuant to the Offer, Securityholders should carefully consider all of the information in this Tender Offer Memorandum and, in particular, the following factors.

Any investment decision to purchase any New Additional Tier 1 Securities should be made solely on the basis of the information contained in the Listing Particulars. Securityholders who may wish to subscribe for New Additional Tier 1 Securities should also carefully consider all of the information in the Listing Particulars, including the risk factors therein.

Uncertainty as to the trading market for Securities not purchased

Although the Securities that are not validly tendered by Securityholders or accepted for purchase by the Offeror will continue to be admitted to trading on the regulated market of Euronext Dublin, to the extent tenders of Securities in the Offer are accepted by the Offeror and the Offer is completed, the trading markets for the Securities that remain outstanding following such completion may be significantly more limited. Such remaining Securities may command a lower price than a comparable issue of securities with greater market liquidity. A reduced market value and liquidity may also make the trading price of such remaining Securities more volatile. As a result, the market price for such Securities that remain outstanding after the completion of the Offer may be adversely affected as a result of the Offer. None of the Offeror, the Dealer Managers or the Tender and Information Agent (or any of their respective affiliates) has any duty to make a market in any such remaining Securities.

No obligation to accept tenders of Securities for purchase and New Financing Condition

The Offeror is not under any obligation to accept any tender of Securities for purchase pursuant to the Offer. Tenders of Securities for purchase may be rejected in the sole discretion of the Offeror for any reason, and the Offeror is not under any obligation to Securityholders to furnish any reason or justification for refusing to accept a tender of Securities for purchase. For example, tenders of Securities for purchase may be rejected if the Offer is terminated, if the New Financing Condition is not satisfied (or waived), if the Offer does not comply with the relevant requirements of a particular jurisdiction or for any other reason.

Responsibility for complying with the procedures of the Offer

Securityholders are responsible for complying with all of the procedures for tendering Securities pursuant to the Offer (including the submission of Tender Instructions). None of the Offeror, the Dealer Managers or the Tender and Information Agent assumes any responsibility for informing any Securityholder of irregularities with respect to such Securityholder's participation in the Offer including any errors or other irregularities, manifest or otherwise, in any Tender Instruction.

No assurance of priority allocation in New Additional Tier 1 Securities

Whilst, when considering allocations of New Additional Tier 1 Securities, AIB Group plc intends to give preference to those investors who have, prior to the allocation of the New Additional Tier 1 Securities, tendered (or have given a firm indication to AIB Group plc or any Dealer Manager that it intends to tender) its Securities pursuant to the Offer, it is not obliged to allocate New Additional Tier 1 Securities to an investor which has validly tendered or indicated an intention to tender Securities pursuant to the Offer. If any New Additional Tier 1 Securities are allocated to an investor which has validly tendered its Securities, the nominal amount of New Additional Tier 1 Securities so allocated may be less or more than the nominal amount of Securities tendered by such holder and accepted by the Offeror pursuant to the Offer. If a Securityholder validly tenders Securities pursuant to the Offer, such Securities will remain subject to such tender and the conditions of the Offer as set out in this Tender Offer Memorandum, including the blocking of such Securities, irrespective of whether that Securityholder receives all, part or none of any allocation of New Additional Tier 1 Securities for which it has applied.

Risk of acceptance on a pro rata basis

The Securities can only be tendered in the Offer in respect of a minimum principal amount of Securities of no less than €200,000, being the minimum denomination of the Securities, and integral multiples of €1,000 thereafter. If the Offeror accepts any Securities for purchase pursuant to the Offer and the aggregate principal amount of Securities validly tendered for purchase is greater than the Final Acceptance Amount, the Offeror intends to accept such Securities for purchase on a *pro rata* basis such that the aggregate principal amount of Securities accepted for purchase pursuant to the Offer is no greater than the Final Acceptance Amount.

Separate settlement

Payment under the Offer and the issue of the New Additional Tier 1 Securities are subject to separate settlement processes, and the Settlement Date for the Offer is expected to fall on or after the settlement date for the issue of the New Additional Tier 1 Securities. Securityholders who subscribe for New Additional Tier 1 Securities may be required to make payment for such New Additional Tier 1 Securities prior to receiving any payment pursuant to the Offer.

Completion, termination and amendment

Until the Offeror (i) announces whether it has decided to accept valid tenders of Securities pursuant to the Offer and (ii) determines (in its sole discretion) that the New Financing Condition has been satisfied or waived, no assurance can be given that the Offer will be completed. Securities that are not successfully tendered for purchase pursuant to the Offer will remain outstanding.

In addition, subject to applicable law and as provided in this Tender Offer Memorandum, the Offeror may, in its sole discretion, extend, re-open, amend or terminate the Offer at any time before such announcement and may, in its sole discretion, waive any of the conditions to the Offer either before or after such announcement.

Tender Instructions irrevocable

Tender Instructions will be irrevocable except in the limited circumstances described in “*Amendment and Termination*”.

Compliance with offer and distribution restrictions

Securityholders are referred to the offer and distribution restrictions in “*Offer and Distribution Restrictions*” and the agreements, acknowledgements, representations, warranties and undertakings in “*Procedures for Participating in the Offer*”, which Securityholders will make at the time of submission of a Tender Instruction, the Expiration Deadline and the time of settlement on the Settlement Date. Non-compliance with these could result in, among other things, the unwinding of trades and/or heavy penalties.

Responsibility to consult advisers

Each Securityholder is solely responsible for making its own independent appraisal of all matters as such Securityholder deems appropriate (including those relating to the Offer, the Offeror, the Securities and, if applicable, the New Additional Tier 1 Securities) and each Securityholder must make its own decision as to whether to tender any or all of its Securities for purchase pursuant to the Offer.

Securityholders should consult their own tax, accounting, financial and legal advisers regarding the suitability to themselves of the tax or accounting consequences of participating in the Offer, including (if applicable) any disposal of Securities and any investment in any New Additional Tier 1 Securities.

None of the Offeror, the Dealer Managers, the Tender and Information Agent, or any director, officer, employee, agent, adviser or affiliate of any such person, is acting for any Securityholder, or will be responsible to any Securityholder for providing any protections which would be afforded to its clients or for providing advice in relation to the Offer, and accordingly none of the Offeror, the Dealer Managers, the Tender and Information

Agent, or any director, officer, employee, agent, adviser or affiliate of any such person has made or will make any assessment of the merits and risks of the Offer or of the impact of the Offer on the interests of the Securityholders either as a class or as individuals, and none of them makes any recommendation as to whether Securityholders should tender Securities in the Offer.

Restrictions on transfer of Securities

When considering whether to participate in the Offer, Securityholders should take into account that restrictions on the transfer of Securities by Securityholders will apply from the time of submission of Tender Instructions. A Securityholder will, on submitting a Tender Instruction, agree that its Securities will be blocked in the relevant account in the relevant Clearing System from the date the relevant Tender Instruction is submitted until the earlier of (i) the time of settlement on the Settlement Date and (ii) the date of any termination of the Offer (including where such Securities are not accepted by the Offeror for purchase) or on which the Tender Instruction is revoked, in the limited circumstances in which such revocation is permitted.

Minimum Denomination of the Securities

A Securityholder whose Securities are accepted for purchase pursuant to the Offer and who, following purchase of the relevant Securities on the Settlement Date, continues to hold in its account with the relevant Clearing System further Securities in a principal amount of less than €200,000, would need to purchase a principal amount of Securities such that its holding amounts to at least €200,000 before (i) the Securities it continues to hold may be traded in the Clearing Systems or (ii) it may receive a definitive Securities in respect of such holding (should definitive Securities be printed).

Whilst the Offer intends to adjust the Scaling Factor applicable to any particular Tender Instruction such that the relevant Securityholder's residual amount of Securities not accepted under the relevant Tender Instruction amounts to either (i) at least the Minimum Denomination or (ii) zero, it shall not be obliged to do so.

Costs incurred in blocking the Securities

Fees, if any, which may be charged by the relevant Clearing System to a Direct Participant (or by any custodian or other intermediary to a Securityholder) in connection with the blocking (or unblocking) of the relevant Securities or otherwise must be borne by such Direct Participant (or such Securityholder) or as otherwise agreed between the relevant Direct Participant (or intermediary) and Securityholder. For the avoidance of doubt, Direct Participants, intermediaries and Securityholders shall have no recourse to the Offeror, the Dealer Managers or the Tender and Information Agent with respect to such costs.

Other purchases or redemption of the Securities

Whether or not the Offer is completed, the Offeror, the Dealer Managers and the Tender and Information Agent may, to the extent permitted by applicable law, continue to acquire, from time to time during or after the Offer, Securities other than pursuant to the Offer, including through open market purchases and privately negotiated transactions, tender offers, exchange offers or otherwise, upon such terms and at such prices as they may determine. The Offeror, any Dealer Manager and the Tender and Information Agent may acquire further Securities after the Offer has expired or lapsed, whether in the market or otherwise.

Whilst the Securities constitute perpetual Additional Tier 1 instruments of the Issuer and have no maturity date or fixed redemption date, the Offeror may redeem any outstanding Securities in accordance with their terms and conditions. Although the Issuer can elect, subject to obtaining regulatory consent and to satisfaction of certain conditions, to redeem all (and not some only) of the Securities on 3 December 2020 or any interest payment date for the Securities following that date (or in certain other circumstances provided in the terms and conditions of the Securities), the Issuer is not under any obligation to exercise any such call option with regard to the Securities that remain outstanding following completion of the Offer. The Issuer intends to consider future optional redemption rights in respect of the Securities on an economic basis and having regard to the prevailing

circumstances at the relevant time. As a result, an investor in the Securities who does not successfully participate in the Offer should be prepared to hold its Securities for an indefinite period or, if it wishes to exit its investment, may be required to sell its Securities in the secondary market (see “*Uncertainty as to the trading market for Securities not purchased*” above).

The prices at which any outstanding Securities may be subsequently purchased or redeemed may be more or less than the price to be paid pursuant to the Offer and could be for cash or other consideration or otherwise on terms more or less favourable than those contemplated in the Offer.

Tenders of Securities by Sanctions Restricted Persons will not be accepted

A Securityholder or a beneficial owner of the Securities who is, or who is believed by the Offeror to be, a Sanctions Restricted Person (as defined herein) may not participate in the Offer. The Offeror reserves the absolute right to reject any Tender Instruction when the Offeror, in its sole and absolute discretion is of the view that such Tender Instruction has been submitted by or on behalf of a Sanctions Restricted Person and such Securityholder or a beneficial owner of the Securities will not be eligible to receive, as applicable, the Purchase Price or any applicable Accrued Interest Payment in any circumstances.

The restrictions described in this paragraph shall not apply to the extent that they would result in a violation of the EU Blocking Regulation (as defined herein) and/or any law or regulation giving effect to and/or imposing penalties in respect of the EU Blocking Regulation.

TAX CONSEQUENCES

In view of the number of different jurisdictions where tax laws may apply to a Securityholder, this Tender Offer Memorandum does not discuss the tax consequences for Securityholders arising from the purchase of Securities by the Offeror pursuant to the Offer, the payment of the Purchase Price and the Accrued Interest Payment or any other amounts, or an investment in, holding of or disposition of Securities or New Additional Tier 1 Securities. Securityholders are urged to consult their own professional advisers regarding these possible tax consequences under the laws of the jurisdictions that apply to them or to the sale of their Securities, acquisition of New Additional Tier 1 Securities (if applicable) and the receipt pursuant to the Offer of the Purchase Price and the Accrued Interest Payment. Securityholders are liable for their own taxes and have no recourse to the Offeror, the Dealer Managers or the Tender and Information Agent with respect to taxes arising in connection with the Offer.

PROCEDURES FOR PARTICIPATING IN THE OFFER

Securityholders who need assistance with respect to the procedures for participating in the Offer should contact the Tender and Information Agent, the contact details for which are on the last page of this Tender Offer Memorandum.

Summary of Action to be Taken

The Offeror will only accept tenders of Securities for purchase pursuant to the Offer which are made by way of the submission of valid Tender Instructions in accordance with the procedures set out in this section “*Procedures for Participating in the Offer*”.

To tender Securities for purchase pursuant to the Offer, a Securityholder should deliver, or arrange to have delivered on its behalf, via the relevant Clearing System and in accordance with the requirements of such Clearing System, a valid Tender Instruction that is received by the Tender and Information Agent by the Expiration Deadline. Tender Instructions must be submitted in respect of a minimum principal amount of Securities of no less than €200,000, being the minimum denomination of the Securities, and may be submitted in integral multiples of €1,000 thereafter.

Securityholders are advised to check with any bank, securities broker or other intermediary through which they hold Securities when such intermediary would need to receive instructions from a Securityholder in order for that Securityholder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Offer by the deadlines specified in this Tender Offer Memorandum. The deadlines set by any such intermediary and each Clearing System for the submission and revocation of Tender Instructions will be earlier than the relevant deadlines specified in this Tender Offer Memorandum.

Tender Instructions

The tendering of Securities in the Offer will be deemed to have occurred upon receipt by the Tender and Information Agent from the relevant Clearing System, by the Expiration Deadline, of a valid Tender Instruction submitted in accordance with the requirements of such Clearing System. The receipt of such Tender Instruction by the relevant Clearing System will be acknowledged in accordance with the standard practices of such Clearing System and will result in the blocking of the relevant Securities in the Securityholder’s account with the relevant Clearing System so that no transfers may be effected in relation to such Securities from the date the relevant Tender Instruction is submitted until the earlier of (i) the time of settlement on the Settlement Date and (ii) the date of any termination of the Offer (including where such Securities are not accepted by the Offeror for purchase) or on which the Tender Instruction is revoked, in the limited circumstances in which such revocation is permitted.

Securityholders must take the appropriate steps through the relevant Clearing System so that no transfers may be effected in relation to such blocked Securities at any time after the date of submission of such Tender Instruction, in accordance with the requirements of the relevant Clearing System and the deadlines required by such Clearing System. By blocking such Securities in the relevant Clearing System, each Direct Participant will consent to have the relevant Clearing System provide details concerning such Direct Participant’s identity to the Tender and Information Agent (and for the Tender and Information Agent to provide such details to the Offeror, the Dealer Managers and to their respective legal advisers).

Only Direct Participants may submit Tender Instructions. Each Securityholder that is not a Direct Participant must arrange for the Direct Participant through which such Securityholder holds its Securities to submit a valid Tender Instruction on its behalf to the relevant Clearing System before the deadlines specified by the relevant Clearing System (which will be earlier than the deadlines specified in this Tender Offer Memorandum).

It is a term of the Offer that Tender Instructions are irrevocable except in the limited circumstances described in “*Amendment and Termination*”. In such circumstances, Tender Instructions may be revoked by a Securityholder, or the relevant Direct Participant on its behalf, by submitting a valid electronic revocation instruction to the relevant Clearing System. To be valid, such instruction must specify the Securities to which the original Tender Instruction related, the securities account to which such Securities are credited and any other information required by the relevant Clearing System.

By submitting a valid Tender Instruction to the relevant Clearing System in accordance with the standard procedures of such Clearing System, each Securityholder whose Securities are the subject of such Tender Instruction shall, and any Direct Participant submitting such Tender Instruction on behalf of such Securityholder shall in respect of itself and each such Securityholder, agree, and acknowledge, represent, warrant and undertake, to the Offeror, each of the Dealer Managers and the Tender and Information Agent the following at the time of submission of the Tender Instruction, the Expiration Deadline and the time of settlement on the Settlement Date (if a Securityholder or Direct Participant is unable to make any such agreement or acknowledgement or give any such representation, warranty or undertaking, such Securityholder or Direct Participant should contact the Tender and Information Agent immediately):

- (a) it has received the Tender Offer Memorandum, and has reviewed and accepts the offer and distribution restrictions, terms, conditions, risk factors and other considerations of the Offer, all as described in this Tender Offer Memorandum, and it is assuming all the risks inherent in participating in the Offer and has undertaken an appropriate analysis of the implications of the Offer without reliance on the Offeror, the Dealer Managers or the Tender and Information Agent;
- (b) by blocking the relevant Securities in the relevant Clearing System, it will consent, in the case of a Direct Participant, to have such Clearing System provide details concerning its identity to the Tender and Information Agent (and for the Tender and Information Agent to provide such details to the Offeror and the Dealer Managers, and their respective legal advisers);
- (c) upon the terms and subject to the conditions of the Offer, it tenders for purchase in the Offer the principal amount of Securities blocked, or to be blocked, as the case may be, in its account in the relevant Clearing System and, subject to and effective on such purchase by the Offeror, it renounces all right, title and interest in and to all such Securities purchased by or at the direction of the Offeror and waives and releases any rights or claims it may have against the Offeror with respect to any such Securities and the Offer;
- (d) it acknowledges that, if the Securities tendered for purchase are accepted by the Offeror and the New Financing Condition is satisfied (or waived), (i) the Purchase Price and the Accrued Interest Payment will be paid in euro, (ii) such cash amounts will be deposited by or on behalf of the Offeror with the Clearing Systems on the Settlement Date and (iii) on receipt of such cash amounts, the Clearing Systems will make payments promptly to the accounts in the Clearing Systems of the relevant Securityholders;
- (e) it accepts that settlement of the Offer is conditional upon the satisfaction (or waiver by the Offeror in its sole discretion) of the New Financing Condition;
- (f) the submission of a Tender Instruction does not guarantee such Securityholder any allocation of New Additional Tier 1 Securities, if issued, and whether or not such Securityholder receives an allocation of New Additional Tier 1 Securities, if issued, and if so, the aggregate nominal amount of New Additional Tier 1 Securities, shall be at the sole and absolute discretion of the Offeror;
- (g) it agrees to ratify and confirm each and every act or thing that may be done or effected by the Offeror, any of its directors or any person nominated by the Offeror in the proper exercise of his or her powers and/or authority hereunder;

- (h) it agrees to do all such acts and things as shall be necessary and execute any additional documents deemed by the Offeror to be desirable, in each case to complete the transfer of the relevant Securities to the Offeror or its nominee against payment to it of the Purchase Price and the Accrued Interest Payment for such Securities and/or to perfect any of the authorities expressed to be given hereunder;
- (i) it has observed the laws of all relevant jurisdictions; obtained all requisite governmental, exchange control or other required consents; complied with all requisite formalities; and paid, or will pay any issue, transfer or other taxes or requisite payments due from it in each respect in connection with any offer or acceptance in any jurisdiction and that it has not taken or omitted to take any action in breach of the terms of the Offer or which will or may result in the Offeror, the Dealer Managers, the Tender and Information Agent, or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offer;
- (j) all authority conferred or agreed to be conferred pursuant to its acknowledgements, agreements, representations, warranties and undertakings, and all of its obligations shall be binding upon its successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives, and shall not be affected by, and shall survive, its death or incapacity;
- (k) no information has been provided to it by the Offeror, the Dealer Managers or the Tender and Information Agent, or any of their respective directors, officers, employees, agents, advisers or affiliates, with regard to the tax consequences for Securityholders arising from the purchase of Securities by the Offeror pursuant to the Offer and the receipt by the Securityholder of the Purchase Price and Accrued Interest Payment, and it acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the Offer and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Offeror, the Dealer Managers or the Tender and Information Agent, or any of their respective directors, officers, employees, agents, advisers or affiliates, or any other person in respect of such taxes and payments;
- (l) it has had access to such financial and other information concerning the Securities and, if applicable, the New Additional Tier 1 Securities, and has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers, as it deems necessary or appropriate in order to make an informed decision with respect to its tendering of Securities for purchase in the Offer; it is not relying on any communication (written or oral) made by any party involved in the Offer or any such party's affiliates as constituting a recommendation to tender Securities in the Offer; and it is able to bear the economic risks of participating in the Offer;
- (m) it is not a person to whom it is unlawful to make an invitation pursuant to the Offer under applicable securities laws, it has not distributed or forwarded this Tender Offer Memorandum or any other documents or materials relating to the Offer to any other person, including any such person(s) and it has (before submitting, or arranging for the submission on its behalf, as the case may be, of the Tender Instruction in respect of the Securities it is tendering for purchase) complied with all laws and regulations applicable to it for the purposes of its participation in the Offer;
- (n) either
 - (a) (i) it is the beneficial owner of the Securities being tendered in the Offer, (ii) it did not receive in the United States a copy of this Tender Offer Memorandum or any other document or information related to the Offer and did not send any such document or information into the United States, (iii) it has not used, directly or indirectly, the mails of, or a means of communication or other means or instrumentality of commerce or the facilities of a United States securities exchange in

relation to the Offer, and (iv) it is located and resident outside the United States and it is participating in the Offer from outside the United States; or

- (b) (i) it is acting on behalf of the beneficial owner of the Securities being tendered in the Offer on a non-discretionary basis and has been duly authorised to so act and (ii) such beneficial owner has confirmed to it and has authorised it to represent that such beneficial owner did not receive in the United States a copy of this Tender Offer Memorandum or any other document or information related to the Offer and that it did not send any such document or information into the United States, such beneficial owner has not used, directly or indirectly, the mails of, or a means of communication or other means or instrumentality of commerce or the facilities of a United States securities exchange in relation to the Offer and such beneficial owner is located and resident outside the United States and it is participating in the Offer from outside the United States;
- (o) it is not located or resident in Italy or, if it is located in Italy, it is an authorised person or is tendering Securities through an authorised person (such as an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Legislative Decree No. 58 of 24 February 1998, as amended, *Commissione Nazionale per le Società e la Borsa* (“CONSOB”) Regulation No. 20307 of 15 February 2018, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority;
- (p) it is not located or resident in the United Kingdom or, if it is located or resident in the United Kingdom, it is a person falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Promotion Order) or within Article 43 of the Financial Promotion Order, or to whom this Tender Offer Memorandum and any other documents or materials relating to the Offer may otherwise lawfully be communicated in accordance with the Financial Promotion Order;
- (q) it is not located or resident in France or, if it is located or resident in France, it is a qualified investor as defined in Article 2(e) of Regulation (EU) 2017/1129;
- (r) it is not a Sanctions Restricted Person;
- (s) it has full power and authority to tender the Securities it has tendered in the Offer, it will not transfer any beneficial interest in any such Securities to any other person (other than pursuant to the Offer) from the date of submission of the relevant Tender Instruction until the time of settlement on the Settlement Date or termination of the Offer (including where such Securities are not accepted for purchase by the Offeror) or until any revocation of the relevant Tender Instruction (in the limited circumstances in which revocation is permitted) and, if such Securities are accepted for purchase by the Offeror such Securities will be transferred to, or to the order of, the Offeror with full title free from all liens, charges and encumbrances, not subject to any adverse claim and together with all rights attached to such Securities, and it will, upon request, execute and deliver any additional documents and/or do such other things deemed by the Offeror to be necessary or desirable to complete the transfer and cancellation of such Securities or to evidence such power and authority;
- (t) it holds and will hold, until the time of settlement on the Settlement Date, the Securities blocked in the relevant Clearing System and, in accordance with the requirements of, and by the deadline required by, such Clearing System, it has submitted, or has caused to be submitted, a Tender Instruction to such Clearing System to authorise the blocking of the tendered Securities with effect on and from the date of such submission so that, at any time pending the transfer of such Securities on the Settlement Date to the Offeror, or to its agent on its behalf, or until any revocation of such Tender Instruction (in the limited circumstances in which revocation is permitted) or termination of the Offer (including where such Securities are not accepted for purchase by the Offeror), no transfers of such Securities may be effected;

- (u) the terms and conditions of the Offer shall be deemed to be incorporated in, and form a part of, the relevant Tender Instruction which shall be read and construed accordingly, and that the information given by or on behalf of such Securityholder in the relevant Tender Instruction is true, accurate and not misleading and will remain true, accurate and not misleading in all respects at the time of the purchase of the Securities tendered on the Settlement Date;
- (v) it accepts that the Offeror is under no obligation to accept tenders of Securities for purchase pursuant to the Offer, and accordingly such tender may be accepted or rejected by the Offeror in its sole discretion and for any reason;
- (w) the Offeror's acceptance for payment of Securities offered pursuant to any of the procedures described in this Tender Offer Memorandum will constitute a binding agreement between such Securityholder and the Offeror in accordance with the terms and subject to the conditions of the Offer;
- (x) it acknowledges that, in the event of a withdrawal or termination of the Offer by the Offeror, the Tender Instructions with respect to the relevant Securities will be deemed to be revoked, and the relevant Securities will be unblocked in the relevant Direct Participant's Clearing System account; and
- (y) it acknowledges that the Offeror, the Dealer Managers and the Tender and Information Agent will rely upon the truth and accuracy of the foregoing acknowledgements, agreements, representations, warranties, undertakings and directions and it shall indemnify the Offeror, the Dealer Managers and the Tender and Information Agent against all and any losses, costs, claims, liabilities, expenses, charges, actions or demands which any of them may incur or which may be made against any of them as a result of any breach of any of the terms of, or any of the acknowledgements, agreements, representations, warranties, undertakings and/or directions given in connection with the Offer.

The representation, warranty and undertaking set out at paragraph (r) above shall, other than when such representation, warranty and undertaking is made by a Securityholder (and, if applicable, the Direct Participant submitting the relevant Tender Instruction on such Securityholder's behalf) at the time of submission of the relevant Tender Instruction, not apply if and to the extent that it is or would be or cause a breach or violation of any provision of Council Regulation (EC) No 2271/96 of 22 November 1996 (the "EU Blocking Regulation") and/or any law or regulation giving effect to and/or imposing penalties in respect of the EU Blocking Regulation in any member state of the European Union or in the United Kingdom.

The receipt of a Tender Instruction by the relevant Clearing System will constitute instructions to debit the securities account of the relevant Direct Participant on the Settlement Date in respect of all of the Securities that the relevant Securityholder has validly tendered in the Offer, upon receipt by such Clearing System of an instruction from the Tender and Information Agent for such Securities to be transferred to the specified account of the Offeror or its agent on its behalf and against payment by the Offeror of the Purchase Price and the Accrued Interest Payment for such Securities, subject to the automatic revocation of those instructions on the date of any termination of the Offer (including where such Securities are not accepted for purchase by the Offeror) or on the valid revocation of such Tender Instruction, in the limited circumstances in which such revocation is permitted as described in "*Amendment and Termination – Revocation Rights*", and subject to acceptance of the Offer by the Offeror and all other conditions of the Offer.

General

Separate Tender Instructions

A separate Tender Instruction must be completed on behalf of each beneficial owner.

Tenders and instructions other than in accordance with the procedures set out in this section will not be accepted

Subject as set out under “*Irregularities*” below, the Offeror will only accept tenders of Securities in the Offer and Securityholders may only otherwise participate in the Offer by way of the submission of valid Tender Instructions in accordance with the procedures set out in this section “*Procedures for Participating in the Offer*”.

Irrevocability

The submission of a valid Tender Instruction in accordance with the procedures set out in this section “*Procedures for Participating in the Offer*” will be irrevocable (except in the limited circumstances described in “*Amendment and Termination – Revocation Rights*”).

Irregularities

All questions as to the validity, form, eligibility and valid revocation (including times of receipt) of any Tender Instruction or as to the revocation of any Tender Instruction will be determined by the Offeror in its sole discretion, which determination shall be final and binding.

The Offeror reserves the absolute right to reject any and all Tender Instructions or revocation instructions not in proper form or for which any corresponding agreement by the Offeror to accept would, in the opinion of the Offeror and its legal advisers, be unlawful. The Offeror also reserves the absolute right to waive any defects, irregularities or delay in the submission of any and all Tender Instructions or revocation instructions. The Offeror also reserves the absolute right to waive any such defect, irregularity or delay in respect of a particular tender of Securities, whether or not the Offeror elects to waive similar defects, irregularities or any delay in respect of any other Securities.

Any defect, irregularity or delay must be cured within such time as the Offeror determines, unless waived by it. Tender Instructions will be deemed not to have been made until such defects, irregularities or delays have been cured or waived. None of the Offeror, the Dealer Managers or the Tender and Information Agent shall be under any duty to give notice to a Securityholder of any defects, irregularities or delays in any Tender Instruction or revocation instruction nor shall any of them incur any liability for failure to give such notice.

AMENDMENT AND TERMINATION

Amendment and Termination

Notwithstanding any other provision of the Offer, the Offeror may, subject to applicable laws, at its option and in its sole discretion, (i) in the case of (a), (b) and (c) below (inasmuch as (c) relates to the acceptance of Tender Instructions) and (d) below, at any time before any unconditional acceptance of the Securities tendered for purchase in the Offer and (ii) in the case of (c) below (inasmuch as (c) relates to the purchase of Securities), at any time prior to the Settlement Date:

- (a) extend the Expiration Deadline for, or re-open, the Offer (in which case all references in this Tender Offer Memorandum to “**Expiration Deadline**” shall, unless the context otherwise requires, be to the latest time and date to which the Expiration Deadline has been so extended or the Offer re-opened);
- (b) otherwise extend, re-open or amend the Offer in any respect (including, but not limited to, any increase, decrease, extension, re-opening or amendment, as applicable, in relation to the Expiration Deadline, Settlement Date, New Financing Condition, Maximum Acceptance Amount and/or Purchase Price);
- (c) delay the acceptance of Tender Instructions or purchase of Securities validly tendered in the Offer until satisfaction or waiver of the conditions to the Offer, even if the Offer has expired; and/or
- (d) terminate the Offer, including with respect to Tender Instructions submitted before the time of such termination.

The Offeror also reserves the right at any time to waive any or all of the conditions of the Offer as set out in this Tender Offer Memorandum.

The Offeror will ensure Securityholders are notified of any such extension, re-opening, amendment or termination as soon as is reasonably practicable after the relevant decision is made. To the extent a decision is made to waive any condition of the Offer generally, as opposed to in respect of certain tenders of Securities for purchase only, such decision will also be announced as soon as is reasonably practicable after it is made. See “*Further Information and Terms and Conditions – Announcements*”.

A Securityholder who has tendered its Securities may not validly amend the terms of the tender as specified in the relevant Tender Instruction, without the prior written consent of the Offeror.

Revocation Rights

If the Offeror amends the Offer in any way (including by way of the making of any announcement, or the issue of any supplement or other form of update to this Tender Offer Memorandum, in which any material development is disclosed) that, in the opinion of the Offeror (in consultation with the Dealer Managers), is materially prejudicial to the interests of Securityholders that have already submitted Tender Instructions before the announcement of such amendment (which announcement shall include a statement that, in the opinion of the Offeror, such amendment may be materially prejudicial to the interests of such Securityholders and shall notify Securityholders of the above mentioned revocation right), then such Tender Instructions may be revoked at any time from the date and time of the announcement of such amendment of the Offer until 4.00 p.m. (London time) on the second Business Day following such announcement (subject to the earlier deadlines required by the Clearing Systems and any intermediary through which Securityholders hold their Securities).

For the avoidance of doubt, any extension or re-opening of the Offer (including any amendment in relation to the Expiration Deadline and/or Settlement Date) in accordance with the terms of the Offer as described in this section “*Amendment and Termination*” shall not be considered materially prejudicial to the interests of Securityholders that have submitted Tender Instructions (provided that the settlement of the Offer as so extended

or re-opened will be completed by the Offeror by no later than the day falling ten Business Days after the originally scheduled Settlement Date).

Securityholders wishing to exercise any right of revocation as set out above should do so in accordance with the procedures set out in “*Procedures for Participating in the Offer – Tender Instructions*”. Beneficial owners of Securities that are held through an intermediary are advised to check with such entity when it needs to receive instructions to revoke a Tender Instruction in order to meet the above deadline. For the avoidance of doubt, any Securityholder who does not exercise any such right of revocation in the circumstances and in the manner specified above, shall be deemed to have waived such right of revocation and its original Tender Instruction will remain effective.

Effect of Amendment

Any Tender Instruction submitted prior to an amendment to the terms of the Offer which is either (i) not materially prejudicial to the interests of Securityholders that have already submitted Tender Instructions before the announcement of such amendment, or (ii) in relation to which Securityholders have not exercised any available revocation rights, will continue to be valid and binding following any amendment to the Offer (and any such Tender Instruction shall be deemed to have been made on the terms of the Offer as so amended, and any purchase in respect of Securities which are the subject of such Tender Instruction shall be deemed to have been entered into on the terms of the amended Offer).

DEALER MANAGERS AND TENDER AND INFORMATION AGENT

The Offeror has retained Goldman Sachs International, J.P. Morgan Securities plc and Merrill Lynch International to act as Dealer Managers and Lucid Issuer Services Limited to act as Tender and Information Agent for the Offer. The Offeror has entered into a dealer manager agreement with the Dealer Managers and a tender agent engagement letter with the Tender and Information Agent, each of which contains certain provisions regarding payment of fees, expense reimbursement and indemnity arrangements relating to the Offer. The Offeror has also appointed Goldman Sachs International, J.P. Morgan Securities plc and Merrill Lynch International to act as joint lead managers for the offering of the New Additional Tier 1 Securities.

For the purposes of the settlement of the Offer on the Settlement Date, the Purchase Price and Accrued Interest Payment for each Securityholder in respect of the Securities validly tendered for purchase by such Securityholder and accepted by the Offeror will be calculated on behalf of the Offeror. Such calculation will, absent manifest error, be conclusive and binding on the Offeror and the Securityholders.

The Dealer Managers and their respective affiliates may contact Securityholders regarding the Offer and may request brokerage houses, custodians, nominees, fiduciaries and others to forward this Tender Offer Memorandum and related materials to Securityholders.

The Dealer Managers and their respective affiliates have provided and continue to provide certain investment banking services to the Offeror for which they have received and/or will receive compensation that is customary for services of such nature.

None of the Dealer Managers, the Tender and Information Agent or any of their respective directors, officers, employees, agents, advisers or affiliates assumes any responsibility for the accuracy or completeness of the information concerning the Offer, the Offeror, any of their respective affiliates, the Securities or the New Additional Tier 1 Securities contained in this Tender Offer Memorandum or for any failure by the Offeror to disclose events that may have occurred or may affect the significance or accuracy of such information.

Any Dealer Manager or the Tender and Information Agent and/or their respective affiliates may have a holding in, or may from time to time provide investment services in relation to, or engage in transactions involving, the Securities. Any Dealer Manager or the Tender and Information Agent may (i) submit Tender Instructions for its own account and (ii) submit Tender Instructions (subject to the offer restrictions set out in “*Offer and Distribution Restrictions*”) on behalf of other Securityholders.

The Dealer Managers are acting exclusively for the Offeror and no one else in connection with the arrangements described in this Tender Offer Memorandum and will not be responsible to any Securityholder for providing the protections which would be afforded to customers of the Dealer Managers or for advising any other person in connection with the Offer.

None of the Dealer Managers or the Tender and Information Agent (nor any of their respective directors, officers, employees, agents or affiliates) makes any representation or recommendation whatsoever regarding this Tender Offer Memorandum or the Offer, or any recommendation as to whether Securityholders should tender Securities in the Offer.

The Tender and Information Agent is the agent of the Offeror and owes no duty to any Securityholder.

In the ordinary course of their respective businesses, the Dealer Managers and the Tender and Information Agent are entitled to hold positions in the Securities either for their own account or for the account, directly or indirectly, of third parties. In the ordinary course of their respective businesses, they are entitled to continue to hold or dispose of, in any manner they may elect, subject to applicable law, any Securities they may hold as at the date of this Tender Offer Memorandum. No such submission or non-submission by any Dealer Manager or the Tender and Information Agent should be taken by any Securityholder or any other person as any

recommendation or otherwise by such Dealer Manager or the Tender and Information Agent, as the case may be, as to the merits of participating or not participating in the Offer.

Except for the fees payable to the Dealer Managers and the Tender and Information Agent, the Offeror will not pay any commissions or other remuneration to any broker, dealer, salesperson or other person soliciting tenders of the Securities.

THE OFFEROR

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